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RUEAWJA/DEPT OF JUSTICE WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

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SIPDIS

STATE FOR CA A/S JACOBS, CA/VO/L/P GREWE, CA/P LAWRENCE, AND EUR/ERA LUCAS
DHS FOR PLCY/OIA KOUMAN AND SCARDAVILLE, PLCY/PDEV FREY

E.O. 12958: DECL: 09/04/2019 TAGS: <u>CVIS CMGT PREL SMIG EU</u>

SUBJECT: EUROPEAN UNION EXPRESSES CONCERN ABOUT PROPOSED

ESTA FEE

Classified By: Charge d'Affaires, Christopher W. Murray, for reasons 1. 4(b) and (d)

- 11. (C) Summary: On September 3, 2009, USEU Charge d'Affaires was demarched by the European Commission's Directorate General for Justice, Freedom and Security o EU concerns about the proposed fee for the Electronic System for travel Authorization (ESTA) contained in the Travel Promotion Act of 12009. Specifically, the EU fears the fee is incompatible with the goal of facilitating transatlantic trade and travel, discriminates against visa waiver travelers, is detrimental to security and will likely lead the EU to reassess whether ESTA should be characterized as a visa. The Charge agreed to pass EU concerns to the Administration. End Summary.
- 12. (C) The Commission was represented by the Director for North American Affairs in the DG for External Relations Alan Seatter and the Director of General Affairs in the DG for Justice, Freedom and Security Monique Pariat. The Charge was accompanied by the DHS and consular attaches. Both Mr. Seatter and Ms. Pariat highlighted the enhanced cooperation between the EU and United States on a broad range of issues and lamented the fact that the legislative proposal to add a \$10.00 fee to the ESTA program ran counter to the shared goal of enhancing transatlantic trade and travel. The ESTA fee, intended to fund a corporation promoting travel to the United States, might lead people to avoid travel to the U.S. They also characterized the fee as discriminatory as, unlike an exit tax, it would not be levied on all travelers, including American citizens, only persons traveling with an approved ESTA. In addition, they opined that the fee may discourage travelers from registering with ESTA early in case their plans changed and they lose the fee, reducing the time the U.S. has to vet the information. Ms. Pariat stated that if the fee was implemented, the Commission would be forced to reexamine whether ESTA was a security program or a "disguised visa." If it concluded that ESTA had become a visa, it could lead to a reciprocal visa fee being imposed on U.S. travelers to the EU, further dampening transatlantic travel.
- 13. (SBU) The Charge thanked his interlocutors for their assessment of the ESTA fee and lauded the spirit of cooperation between the United States and EU. He noted that the fee was currently under consideration by the U.S. Congress. He said he would transmit the concerns of the Commission and the EU Member States to the appropriate USG agencies in Washington.

MURRAY